

Keystone Surveys, Inc.  
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Salt Lake City, Utah 84101

(801) 355-6044

November 13, 2000

D. Wayne Hedberg, Permit Supervisor  
Minerals Reclamation Program  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84114

Re: Response to September 21, 2000 Review of Reclamation of the Mammoth Mine and Exploration Project Sites, Mammoth Mining Company, Mammoth Mine, S/023/041 and E/023/033, Juab County, Utah

Your reference: O:\KEYSTONE SURVEY.doc

Dear Mr. Hedberg:

Management and staff of Keystone Surveys, Inc. (The Company) have carefully reviewed your September 21, 2000 Reclamation Summary and Division Response and respectfully submit the following reply:

Mining and exploration on the subject properties commenced in 1870 and essentially ended in 1935. Since that time, there has been limited activity largely confined to reconnaissance activities. The landscape, as one views it today, is little changed since mining activities largely ceased about 1935.

The Company has apprised itself of the Utah Mined Land Reclamation Act of 1975, and concurs that, for the safety and welfare of the citizens of the state, mined land should be reclaimed. The Company further agrees that, consistent with state law, reclamation requirements "... must be adapted to the diversity of topographic ... and social conditions in the areas where mining takes place (40-8-2 (3))."

The Company understands that the law clearly defines "Mining operation" as "... activities conducted on the surface of the land for the exploration for, development of, or extraction of mineral deposit (40-8-4 (8) (a))." Furthermore, "Mining Operation" specifically does not include "... reconnaissance activities which will not cause significant surface resource disturbance or involve the use of mechanized earth-moving equipment such as bulldozers or backhoes (40-8-2 (8) (b))."

The vast majority of the mining features discussed in this document are pre-law disturbances. The Company wishes to voluntarily cooperate with the Division in remedying these features within the scope and intent of the law, including other openings not addressed in the Division's September 21, 2000 Review.



For the Division's convenience, the Company has attached photographic exhibits to graphically portray to the Division the *absence* of post-law surface activity.

**1. C.E. Holden Tunnel (Exhibit one)**

The Company agrees to increase the strength and configuration of the steel gate conforming to the Division's specifications as to size of aperture, attachment devices and security mechanisms.

The Company does *not* agree to sealing and/or backfilling to provide for a permanent closure, as the C.E. Holden Tunnel remains important to continued airflow to prevent underground timber rot.

**2. C.E. (Centennial Eureka) Shaft (Exhibit two)**

The Company concedes that approximately 300 feet of the shaft were retimbered at the 550 level. We respectfully submit, however, that because access to the 550 level was gained via the Holden Tunnel (i.e. subterraneously), this activity caused no surface disturbance or the use of mechanized earth moving equipment at the bottom of the C.E. shaft. There has been no post 1975 surface activity on this Historic Site.

The Company requests that the Division, at its expense and discretion, install a steel grate anchored to a concrete collar above the shaft.

**3. Chicken Hawk, Boarding House (Exhibit three)**

Other than reconnaissance activities, there have been no post 1975 surface activities involving the use of mechanized earth-moving equipment such as bulldozers or backhoes.

The Company requests that the Division, at its expense and discretion, appropriately seal and/or backfill these caved adits.

**New Years, and un-named Surface adits (Exhibit four)**

Other than reconnaissance activities, there have been no post 1975 surface activities involving the use of mechanized earth-moving equipment such as bulldozers or backhoes.

The Company requests that the Division, at its expense and discretion, appropriately seal and/or backfill the caved open stopes and adits located on the Company's property. Please note that most of these features are not on the Company's property.

**4. Grand Central Tunnel**

As previously stated, the Company agrees, at its expense and discretion, to backfill the tunnel, smooth out the closure, and re-vegetate the area.





**17. Carisa Tunnel (Exhibit six)**

Other than reconnaissance activities, there have been no post 1975 surface activities involving the use of mechanized earth-moving equipment such as bulldozers or backhoes.

The Company requests that the Division, at its expense and discretion, appropriately backfill and/or otherwise stabilize and permanently close these openings.

**18. Boss Tweed Tunnel (Exhibit seven)**

Other than reconnaissance activities, there have been no post 1975 surface activities involving the use of mechanized earth-moving equipment such as bulldozers or backhoes.

The Company requests that this tunnel be inspected by the Division to determine the adequacy of the "natural" sealing. The Company further requests that should the Division determine the "natural" sealing to be inadequate, the Division, at its expense and discretion, appropriately backfill and/or otherwise stabilize and permanently close this opening

**19. Star Tunnel (Exhibit eight)**

Other than reconnaissance activities, there have been no post 1975 surface activities involving the use of mechanized earth-moving equipment such as bulldozers or backhoes.

The Company requests that the Division, at its expense and discretion, appropriately backfill and/or otherwise stabilize and permanently close this tunnel

**14. Columbus Tunnel**

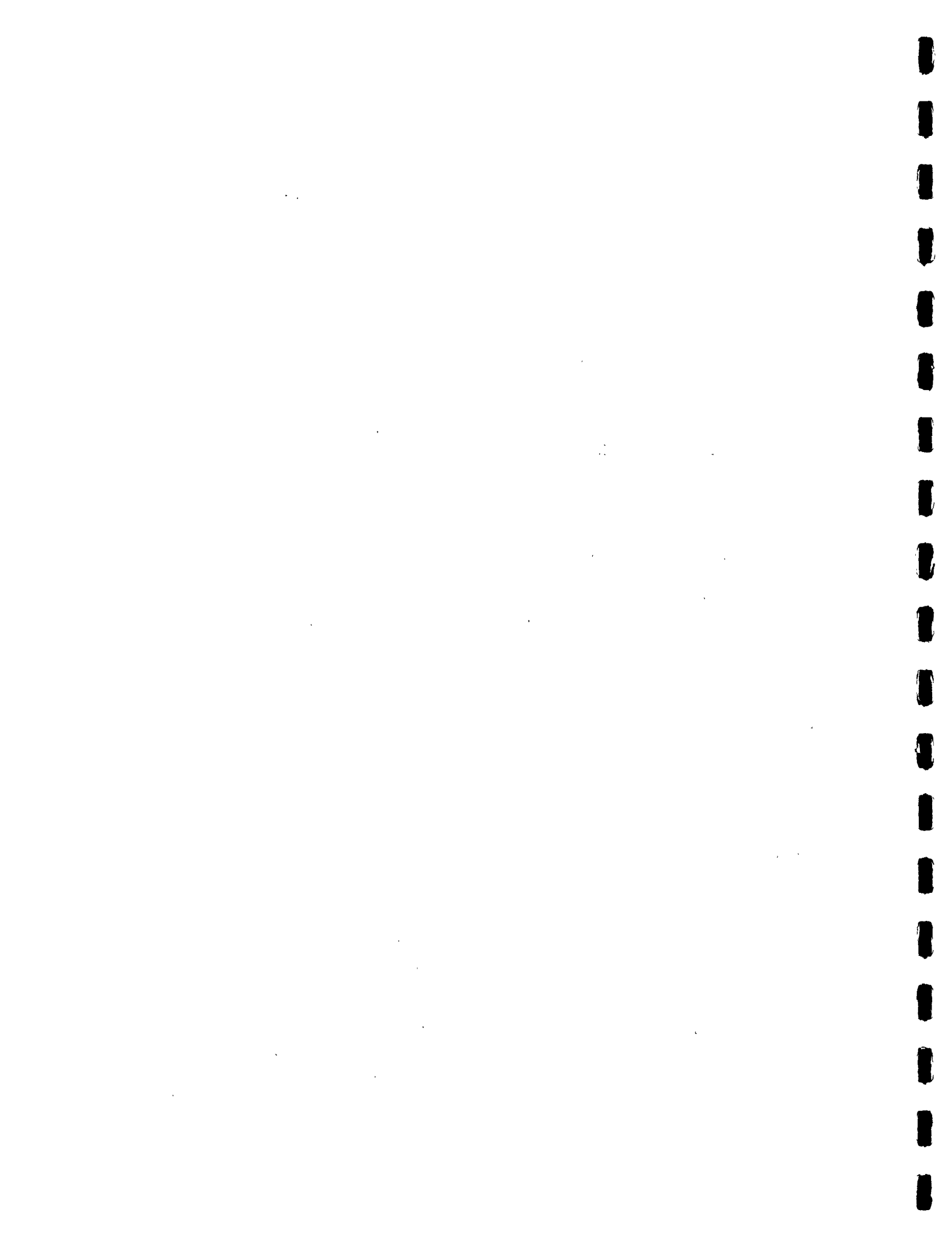
Other than reconnaissance activities, there have been no post 1975 surface activities involving the use of mechanized earth-moving equipment such as bulldozers or backhoes.

The Company requests that the Division, at its expense and discretion, appropriately backfill and/or otherwise stabilize and permanently close this tunnel.

**5. Butterfly Gap Road (Exhibit ten)**

The Company respectfully asserts that the Butterfly Gap Road remains essential to the post-mining purposes of Mammoth Town Development Corporation, in particular access for fire-fighting purposes.

Incorporated on February 07, 2000 in the State of Utah, Mammoth Town Development Corporation's articles provide for the Corporation to " . . . lay out, grade, pave, and dedicate roads, streets, avenues, highways, alleys, courts, paths, walks, parks, playgrounds, and utility and other infrastructure, public and private, of all kinds (Section (b), Article II).



Mammoth Town Development Corporation is a wholly owned subsidiary of Keystone Surveys, Inc.

**6. Mammoth Mine Area (Exhibit eleven)**

The Company respectfully disagrees that the original intent of the refurbishment and repair of the various surface structures and buildings in the Mammoth Mine Center area were for mining-related activities.

Mammoth Town Development Corporation's articles allow the Corporation to "... acquire real property by purchase, lease or otherwise, and to hold it for investment. To erect dwellings, apartment houses, and other buildings, private or public, of all kinds, and to sell or lease the same (Section (b), Article II).

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Any and all of the buildings and structures in the Mammoth Mine area have been restored for historical land-development purposes, and serve as the beginning of the development of the town of Mammoth.

All hazardous chemicals have been donated to a local University

**7. Mammoth Glory Hole (Exhibit twelve)**

Other than reconnaissance activities, there have been no post 1975 surface activities involving the use of mechanized earth-moving equipment such as bulldozers or backhoes.

The Company requests that the Division, at its expense and discretion, erect a six-foot high chain link fence restricting public access to this dangerous, open mine feature.

**8. Mammoth Copper Oxide Adit (Exhibit thirteen)**

Other than reconnaissance activities, there have been no post 1975 surface activities involving the use of mechanized earth-moving equipment such as bulldozers or backhoes.

The Company requests that the Division, at its expense and discretion, appropriately seal and/or backfill this caved adit.

**9. Road above Plummer Tunnel (Exhibit fourteen)**

The Company respectfully asserts that the road above Plummer Tunnel remains essential to the post-mining purposes of Mammoth Town Development Corporation, in particular access to the water tanks.

Incorporated on February 07, 2000 in the State of Utah, Mammoth Town Development Corporation's articles provide for the Corporation to "... lay out, grade, pave, and dedicate roads, streets, avenues, highways, alleys, courts, paths, walks, parks,



playgrounds, and utility and other infrastructure, public and private, of all kinds (Section (b), Article II).

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**10. Mammoth Hole-in-the-Wall**

Other than reconnaissance activities, there have been no post 1975 surface activities involving the use of mechanized earth-moving equipment such as bulldozers or backhoes.

The Company requests that the Division, at its expense and discretion, appropriately backfill and/or otherwise stabilize and permanently close this adit.

**11. Mammoth Finn Tunnel (Exhibit sixteen)**

Other than reconnaissance activities, there have been no post 1975 surface activities involving the use of mechanized earth-moving equipment such as bulldozers or backhoes.

The Company requests that the Division, at its expense and discretion, appropriately backfill and/or otherwise stabilize and permanently close this tunnel.

**10. Mammoth Hungarian Tunnel (Exhibit seventeen)**

Other than reconnaissance activities, there have been no post 1975 surface activities involving the use of mechanized earth-moving equipment such as bulldozers or backhoes.

The Company requests that the Division, at its expense and discretion, appropriately backfill and/or otherwise stabilize and permanently close this tunnel.

**11. Plummer Tunnel (Exhibit eighteen)**

The Company affirms that it will, at its expense and subject to the guidance of the Division, appropriately backfill and/or otherwise stabilize and permanently close this tunnel.

**12. Nad Breccia Road (Exhibit nineteen)**

The Company respectfully asserts that the Nad Breccia Road remains essential to the post-mining purposes of Mammoth Town Development.

Incorporated on February 07, 2000 in the State of Utah, Mammoth Town Development Corporation's articles provide for the Corporation to "... lay out, grade, pave, and dedicate roads, streets, avenues, highways, alleys, courts, paths, walks, parks, playgrounds, and utility and other infrastructure, public and private, of all kinds (Section (b), Article II).



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**13. Ajax Mine Adit and Drill Pad (Exhibit twenty)**

There have been no post-law disturbances of the tunnel.

The Company requests that the Division, at its expense and discretion, appropriately backfill and/or otherwise stabilize and permanently close this tunnel.

The Company concedes it used mechanized equipment to construct the drill pad. However, the drill pad is now essentially part of the road and now serves as an important turnaround. The Company reaffirms its intention to reseed portions of the drill pad.

**14. Gold Chain Tunnel (Exhibit twenty-one)**

Other than reconnaissance activities, there have been no post 1975 surface activities involving the use of mechanized earth-moving equipment such as bulldozers or backhoes.

The Company requests that the Division, at its expense and discretion, install a steel grate anchored to a concrete collar above the shaft.

**15. Sioux-Ajax Tunnel (Exhibit twenty-two)**

The Company agrees to increase the strength and configuration of the steel gates conforming to the Division's specifications as to size of aperture, attachment devices and security mechanisms.

The Company does *not* agree to sealing and/or backfilling to provide for a permanent closure, as the Sioux-Ajax Tunnel remains important to continued airflow to prevent timber rot.

**16. Lower Mammoth Tunnel (Exhibit twenty-three)**

The Company agrees to increase the strength and configuration of the steel gate so as to conform to the Division's specifications as to size of aperture, attachment devices and security mechanisms.

The Company does *not* agree to sealing and/or backfilling to provide for a permanent closure, as the Lower Mammoth Tunnel remains important to continued airflow to prevent timber rot.

**20. Nad Breccia Drill Pad (Exhibit twenty-four)**

The Company respectfully asserts that the Nad Breccia Drill Pad, now part of the road, remains essential to the post-mining purposes of Mammoth Town Development.





Incorporated on February 07, 2000 in the State of Utah, Mammoth Town Development Corporation's articles provide for the Corporation to "... lay out, grade, pave, and dedicate roads, streets, avenues, highways, alleys, courts, paths, walks, parks, playgrounds, and utility and other infrastructure, public and private, of all kinds (Section (b), Article II).

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**21. Mammoth 300 ft Level Tunnel (Exhibit twenty-five)**

The Company agrees to increase the strength and configuration of the steel gates conforming to the Division's specifications as to size of aperture, attachment devices and security mechanisms.

**22. Mammoth Water Tanks Exhibit twenty-six)**

The Company intends to keep these historic, pre-law tanks in place.

**23. Mammoth Lower Tunnel Road (Exhibit twenty-seven)**

The Company respectfully disagrees that any of the existing ore piles are from more recent exploration (i.e. post-law) and underground development work associated with the Plummer Tunnel.

The Company intends to continue to use and maintain this road consistent with Mammoth Town Development Corporation's purposes.

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**25. Mammoth Mine Storage Area (Exhibit twenty-eight)**

The Company intends to continue to use this area for the storage of mine-related historic artifacts being gathered throughout the Company's property pending the establishment of the Mammoth Town Museum. Furthermore, the Company intends to continue using this area for short and long-term storage of vintage lumber, antique mining equipment for museum presentation and display, and/or rock to be used in the construction of Mammoth Town. *Please note: the exploration samples pictured in Exhibit twenty-eight have since been removed.*

**Comments**

The Company has been advised that the Division's Abandoned Mines Reclamation Program is in the process of scheduling a significant reclamation project in the Eureka-Tintic area, the Company wishes to cooperate fully with Division in completing its field inventory and detailed design work to develop plans for closing the



numerous abandoned mining related features on Keystone Survey's properties many of which are not listed or addressed in this document.

The Company sincerely hopes to avail itself of the offered substantial economic benefit available to us as the Division carries out its responsibility to seal and make safe for the public various abandoned mining features under the "Utah Mined Land Reclamation Act" of 1975.

Management wishes to initiate immediate discussions with the Division concerning the closure of these dangerous mining features -- including several additional mining features not addressed in this document --and wishes to do everything in its power to bring about a timely resolution with the Division.

The Company extends an invitation to the Division, at its earliest convenience, to meet with Management for a thorough on-site tour and evaluation.

Sincerely,

KEYSTONE SURVEYS, INC.

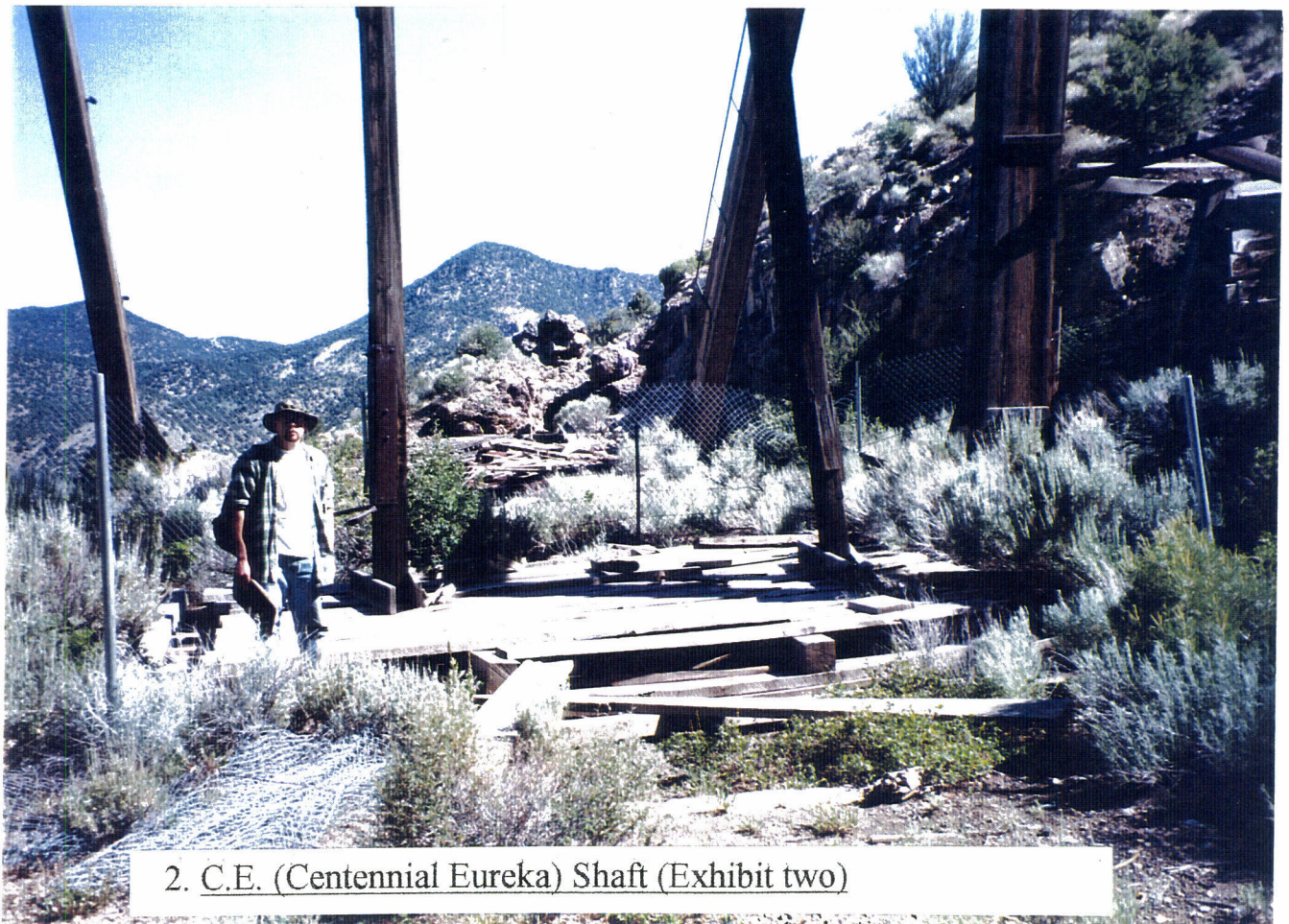


Spent Hansen  
President





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2. C.E. (Centennial Eureka) Shaft (Exhibit two)





3. Chicken Hawk, Boarding House (Exhibit three)



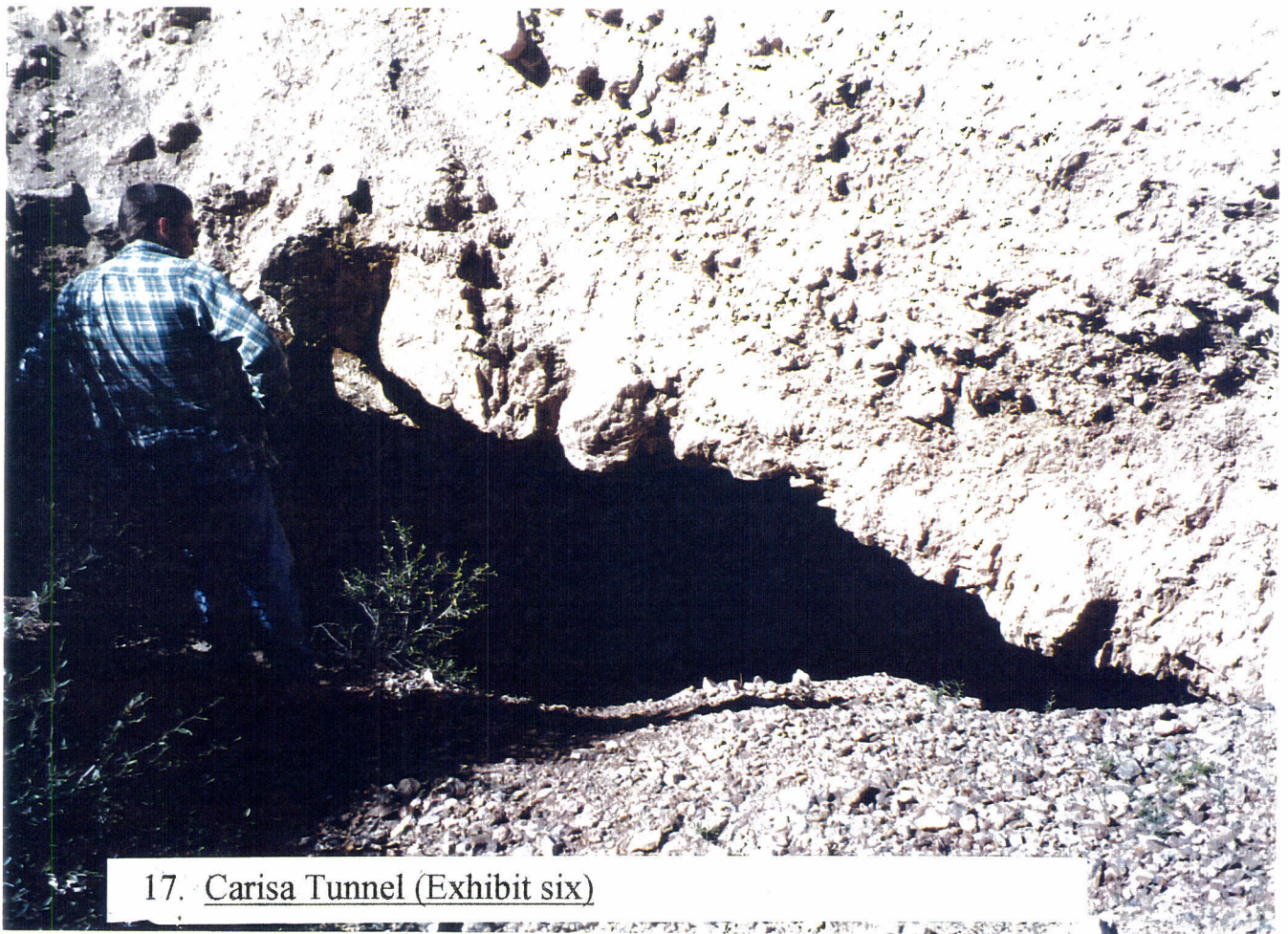




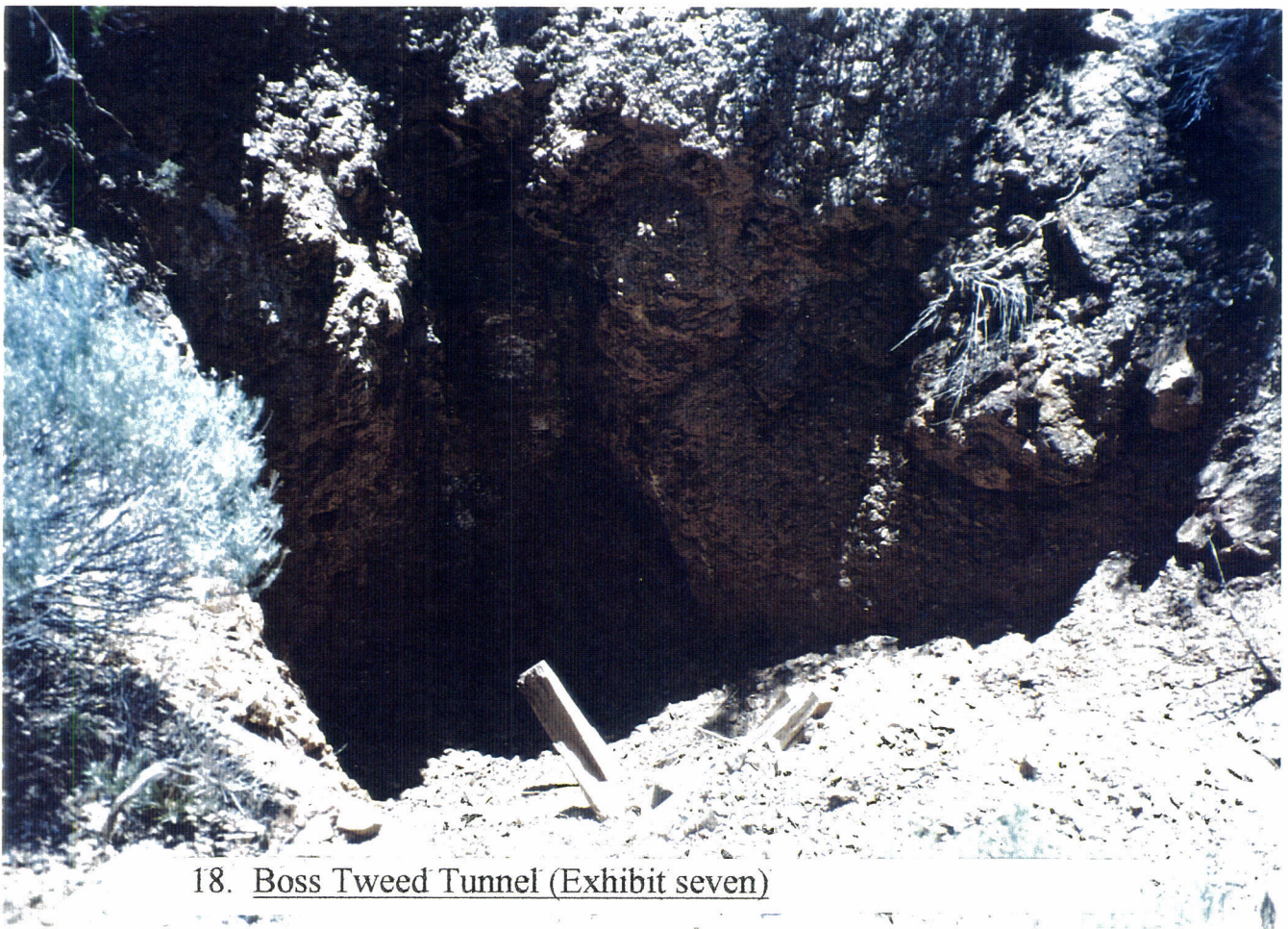
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